

IN THE CLAIMS:

1. **(Currently Amended)** A computer-implemented method for determining a compensation due an affiliate from a merchant for traffic to a merchant Web site that originates from an affiliate Web site, a computer, on behalf of the merchant, performing the steps of:

defining a plurality of different compensation plans;

receiving an application from a potential affiliate, the received application including sales and marketing information of the potential affiliate;

evaluating the received application and defining a profile of the potential affiliate based upon the sales and marketing information in the received application;

requesting and receiving information from the affiliate to enable the merchant to define a profile of the affiliate;

selecting which of the plurality of different compensation plans to expose to the **potential** affiliate based upon the defined profile of the **potential** affiliate;

exposing the selected ones of the plurality of compensation plans to the **potential** affiliate, the exposed compensation plans being tailored to at least one of the **potential** affiliate and a product or service offered by the merchant;

accepting a selection by the **potential** affiliate of at least one of the exposed compensation plans, **the potential affiliate then becoming an affiliate,** and

measuring traffic to the merchant Web site that originates from the affiliate Web site and applying the measured traffic to the at least one compensation plan selected by the affiliate to determine the compensation due to the affiliate.

2. **(Original)** The method of claim 1, wherein the plurality of compensation plans includes a compensation plan in which the compensation due the affiliate varies according to a predetermined date interval.

3. **(Original)** The method of claim 1, wherein the plurality of compensation plans includes a compensation plan in which the affiliate is compensated according to a first percentage rate of a predetermined measure until a first threshold quantity of the measure is reached and thereafter the affiliate is compensated according to a second percentage rate of the predetermined measure.

4. **(Original)** The method of claim 3, wherein the second percentage rate is applied retroactively to compensate the affiliate according to the second percentage rate of the measure for the traffic to the Merchant Web site prior to reaching the first threshold quantity of the measure.

5. **(Original)** The method of claim 1, further including a step of defining a plurality of product categories and wherein the plurality of compensation plans includes a compensation plan in which the compensation due to the affiliate varies according to the defined product categories.

6. **(Original)** The method of claim 1, wherein the traffic to the merchant Web site is measured according to at least one predetermined measure, the at least one predetermined measure being selected from a group including generated revenue, number of orders, number of new customers, number of returning customers and click throughs.

7. **(Original)** The method of claim 6, wherein the compensation due to the affiliate is determined according to at least one of a fixed value and a percentage of the at least one predetermined measure.

8. **(Original)** The method of claim 7, wherein the percentage is one of fixed and variable.

9. **(Previously Presented)** The method of claim 1, wherein the compensating step compensates the affiliate in one of a currency preferred by the affiliate.

10. **(Original)** The method of claim 1, wherein the compensation due to the affiliate includes a bonus after a threshold quantity of a predetermined measure is reached.

11. **(Original)** The method of claim 1, wherein the compensation due the affiliate includes non-monetary credits, a magnitude of which is determined by the at least one selected compensation plans.

12. **(Original)** The method of claim 11, wherein the non-monetary credits are chosen from among a group including travel miles, store credits and points redeemable for products and/or services.

13. **(Original)** The method of claim 1, further including the steps of:
assigning a performance goal to the affiliate, and
periodically comparing a performance of the affiliate against the performance goal assigned to the affiliate.

14. **(Original)** The method of claim 13, wherein the performance of the affiliate is measured according to the traffic to the merchant Web site that originates from the affiliate Web site.

15. **(Original)** The method of claim 1, wherein the measuring step is carried out over a selectable interval that is independent of an accounting calendar.

16. **(Canceled)**

17. **(Original)** The method of claim 1, further including a step of assigning at least one compensation plan to a sub-affiliate recruited by the affiliate, the affiliate being further compensated based upon traffic to the merchant Web site originating from a Web site of the sub-affiliate.

18. **(Original)** The method of claim 1, further including a step of paying the affiliate based upon the determined compensation, the paying step being carried out according to a pay calendar that is selectable by the merchant.

19. **(Original)** The method of claim 1, further including the steps of:

making the affiliate one of a plurality of members of a pay group;

assigning a pay calendar to the pay group, and

paying the plurality of members of the pay group according to the assigned pay calendar.

20-21. **(Canceled)**

22. **(Original)** The method of claim 1, further including a step of profiling the affiliate for future customized compensation plans based upon the traffic to the merchant Web site that originates from the affiliate Web site or the determined compensation.

23. **(Original)** The method of claim 1, wherein the traffic measuring step also includes a step of measuring traffic to the merchant Web site that originates from a site other than the affiliate Web site but whose first visit to the merchant Web site originated from the affiliate Web site.

24. **(Original)** The method of claim 1, wherein further including a step of receiving customer information from the affiliate, the received customer information being sufficient for executing a customer purchase request at the merchant web site.

25. **(Original)** The method of claim 24, wherein the customer information includes customer authentication and payment instrument information.

26. **(Original)** The method of claim 1, further including a step of setting up at least one link to the merchant Web site on the affiliate Web site, the at least one link being associated with the at least one selected compensation plan selected by the affiliate.

27. **(Original)** The method of claim 1, wherein the defining step defines compensation plans that implement a sales strategy of the merchant.

28. **(Original)** The method of claim 1, further including the step of maintaining a plurality of mass affiliates compensated by compensation plans that differ from the defined plurality of compensation plans, the mass affiliates being managed by a third party.

29. **(Currently Amended)** A computer-implemented method for an affiliate to earn compensation from a merchant for traffic to a merchant Web site that originates from an affiliate Web site, a computer, on behalf of the affiliate, performing the steps of:

accessing the merchant Web site;

providing the merchant Web site with sales and marketing information requested by the merchant Web site to enable the merchant to define a profile of the affiliate;

reviewing a plurality of different compensation plans exposed to the affiliate at the merchant Web site, the exposed plurality of different compensation plans being tailored to the affiliate based upon the sales and marketing information provided by the affiliate to the merchant and the

defined profile and selecting at least one of the plurality of compensation plans, each of the compensation plans having a link to the merchant Web site associated therewith;

providing at least one link to the merchant Web site on the affiliate Web site, the provided at least one link being associated with the selected at least one of the plurality of compensation plans, and

receiving compensation from the merchant according to the selected at least one of the plurality of compensation plans and the traffic to the merchant Web site that originates from the at least one link on the affiliate Web site.

30. **(Original)** The method of claim 29, wherein the plurality of compensation plans includes a compensation plan in which the compensation received by the affiliate varies according to a predetermined date interval.

31. **(Original)** The method of claim 29, wherein the plurality of compensation plans includes a compensation plan in which the affiliate is compensated according to a first percentage rate of a predetermined measure until a first threshold quantity of the measure is reached and thereafter the affiliate is compensated according to a second percentage rate of the predetermined measure.

32. **(Original)** The method of claim 31, wherein the second percentage rate is applied retroactively to compensate the affiliate according to the second percentage rate of the measure for the traffic to the Merchant Web site prior to reaching the first threshold quantity of the measure.

33. **(Original)** The method of claim 29, further including a step of defining a plurality of product categories and wherein the plurality of compensation plans includes a compensation plan

in which the compensation received by the affiliate varies according to the defined product categories.

34. **(Original)** The method of claim 29, wherein the traffic to the merchant Web site is measured according to at least one predetermined measure, the at least one predetermined measure being selected from a group including generated revenue, number of orders, number of new customers, number of returning customers and click throughs.

35. **(Original)** The method of claim 34, wherein the compensation received by the affiliate is determined according to at least one of a fixed value and a percentage of the at least one predetermined measure.

36. **(Original)** The method of claim 35, wherein the percentage is one of fixed and variable.

37. **(Original)** The method of claim 29, wherein the received compensation is in a currency preferred by the affiliate.

38. **(Original)** The method of claim 29, wherein the compensation received by the affiliate includes a bonus after a threshold quantity of a predetermined measure is reached.

39. **(Original)** The method of claim 29, wherein the compensation received by the affiliate includes non-monetary credits, a magnitude of which is determined by the at least one selected compensation plans.

40. **(Original)** The method of claim 39, wherein the non-monetary credits are chosen from among a group including travel miles, store credits and points redeemable for products and/or services.

41. **(Original)** The method of claim 29, further including a step of recruiting a sub-affiliate, the received compensation including compensation for traffic to the merchant Web site originating from a Web site of the sub-affiliate.

42. **(Original)** The method of claim 29, wherein the receiving step is carried out according to a pay calendar that is selectable by the merchant.

43. **(Canceled)**

44. **(Original)** The method of claim 29, wherein the received compensation includes compensation for traffic to the merchant Web site that originates from a site other than the affiliate Web site but whose first visit to the merchant Web site originated from the affiliate Web site.

45. **(Original)** The method of claim 29, wherein further including a step of providing information on customers of the affiliate site to the merchant Web site, the provided customer information being sufficient for the merchant to execute a customer purchase request at the merchant web site.

46. **(Original)** The method of claim 45, wherein the customer information includes customer authentication and payment instrument information.

47. **(Currently Amended)** A computer system configured for determining a compensation due an affiliate from a merchant for traffic to a merchant Web site that originates from an affiliate Web site, comprising:

at least one processor;

at least one data storage device;

a plurality of processes spawned by said at least one processor, the processes including processing logic for:

defining a plurality of different compensation plans;

receiving an application from a potential affiliate, the received application including sales and marketing information of the potential affiliate;

evaluating the received application and defining a profile of the potential affiliate based upon the sales and marketing information in the received application;

requesting and receiving information from the affiliate to enable the merchant to define a profile of the affiliate;

selecting which of the plurality of different compensation plans to expose to the **potential** affiliate based upon the defined profile of the **potential** affiliate;

exposing the selected ones of the plurality of compensation plans to the **potential** affiliate, the exposed compensation plans being tailored to at least one of the **potential** affiliate and a product or service offered by the merchant;

accepting a selection by the **potential** affiliate of at least one of the exposed compensation plans, **the potential affiliate then becoming an affiliate,** and

measuring traffic to the merchant Web site that originates from the affiliate Web site and applying the measured traffic to the at least one compensation plan selected by the affiliate to determine the compensation due to the affiliate.

48. **(Original)** The computer system of claim 47, wherein the plurality of compensation plans includes a compensation plan in which the compensation due the affiliate varies according to a predetermined date interval.

49. **(Original)** The computer system of claim 47, wherein the plurality of compensation plans includes a compensation plan in which the affiliate is compensated according to a first

percentage rate of a predetermined measure until a first threshold quantity of the measure is reached and thereafter the affiliate is compensated according to a second percentage rate of the predetermined measure.

50. **(Original)** The computer system of claim 49, wherein the second percentage rate is applied retroactively to compensate the affiliate according to the second percentage rate of the measure for the traffic to the Merchant Web site prior to reaching the first threshold quantity of the measure.

51. **(Original)** The computer system of claim 47, further including a step of defining a plurality of product categories and wherein the plurality of compensation plans includes a compensation plan in which the compensation due to the affiliate varies according to the defined product categories.

52. **(Original)** The computer system of claim 47, wherein the traffic to the merchant Web site is measured according to at least one predetermined measure, the at least one predetermined measure being selected from a group including generated revenue, number of orders, number of new customers, number of returning customers and click throughs.

53. **(Original)** The computer system of claim 52, wherein the compensation due to the affiliate is determined according to at least one of a fixed value and a percentage of the at least one predetermined measure.

54. **(Original)** The computer system of claim 53, wherein the percentage is one of fixed and variable.

55. **(Previously Presented)** The computer system of claim 47, wherein the compensating step compensates the affiliate in one of a currency preferred by the affiliate.

56. **(Original)** The computer system of claim 47, wherein the compensation due to the affiliate includes a bonus after a threshold quantity of a predetermined measure is reached.

57. **(Original)** The computer system of claim 47, wherein the compensation due the affiliate includes non-monetary credits, a magnitude of which is determined by the at least one selected compensation plans.

58. **(Original)** The computer system of claim 11, wherein the non-monetary credits are chosen from among a group including travel miles, store credits and points redeemable for products and/or services.

59. **(Original)** The computer system of claim 47, further including the steps of:
assigning a performance goal to the affiliate, and
periodically comparing a performance of the affiliate against the performance goal assigned to the affiliate.

60. **(Original)** The computer system of claim 59, wherein the performance of the affiliate is measured according to the traffic to the merchant Web site that originates from the affiliate Web site.

61. **(Original)** The computer system of claim 47, wherein the measuring step is carried out over a selectable interval that is independent of an accounting calendar.

62. **(Canceled)**

63. **(Original)** The computer system of claim 47, further including a step of assigning at least one compensation plan to a sub-affiliate recruited by the affiliate, the affiliate being further

compensated based upon traffic to the merchant Web site originating from a Web site of the sub-affiliate.

64. **(Original)** The computer system of claim 47, further including a step of paying the affiliate based upon the determined compensation, the paying step being carried out according to a pay calendar that is selectable by the merchant.

65. **(Original)** The computer system of claim 47, further including the steps of:
making the affiliate one of a plurality of members of a pay group;
assigning a pay calendar to the pay group, and
paying the plurality of members of the pay group according to the assigned pay calendar.

66-67. **(Canceled)**

68. **(Original)** The computer system of claim 47, further including a step of profiling the affiliate for future customized compensation plans based upon the traffic to the merchant Web site that originates from the affiliate Web site or the determined compensation.

69. **(Original)** The computer system of claim 47, wherein the traffic measuring step also includes a step of measuring traffic to the merchant Web site that originates from a site other than the affiliate Web site but whose first visit to the merchant Web site originated from the affiliate Web site.

70. **(Original)** The computer system of claim 47, wherein further including a step of receiving customer information from the affiliate, the received customer information being sufficient for executing a customer purchase request at the merchant web site.

71. **(Previously Presented)** The computer system of claim 70, wherein the customer information includes customer authentication and payment instrument information.

72. **(Original)** The computer system of claim 47, further including a step of setting up at least one link to the merchant Web site on the affiliate Web site, the at least one link being associated with the at least one selected compensation plan selected by the affiliate.

73. **(Original)** The computer system of claim 47, wherein the defining step defines compensation plans that implement a sales strategy of the merchant.

74. **(Original)** The computer system of claim 47, further including the step of maintaining a plurality of mass affiliates compensated by compensation plans that differ from the defined plurality of compensation plans, the mass affiliates being managed by a third party.

75. **(Previously Presented)** The method of claim 1, wherein the information requested and received from the affiliate includes at least one of affiliate sales and affiliate marketing information.

76. **(Previously Presented)** The computer-implemented method of claim 29, wherein the information provided to the merchant Web site includes at least one of affiliate sales and affiliate marketing information.

77. **(Previously Presented)** The computer system of claim 47, wherein the information requested and received from the affiliate includes at least one of affiliate sales and affiliate marketing information.